

2010-11 – 1st and 2nd QUARTER STATUS REPORT – General Counsel (P. Mixon)

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Quantitative Performance Measures

Total Fund

Weight	Performance Measure	Incentive Schedule	2 nd Quarter Status
5%	Excess return deviation in basis points relative to: Total Fund Performance Benchmark {SJ1CA1 – CPERST02}	-27 basis points = 0 +7 basis points = 1.0 +23 basis points = 1.5	+26 bps {13.96 – 13.70}

Qualitative Performance Measures *(All performance measures utilize standard Qualitative incentive schedule unless otherwise noted)*

Customer Focus

Weight	Performance Measure
20%	<p>By June 30, 2011, achieve Enterprise Priority #1 “Customer Focus,” as set forth in the 2010-11 Business Plan approved by the Board for the following objectives:</p> <ul style="list-style-type: none"> Ensure the PSR/ETM/PERT Project remains on schedule and within budget and implement planned activities in the PSR/ETM/PERT Recovery Plan <p>(Specific tactics and milestones are set forth in the Business Plan)</p>
<p>1st and 2nd Quarter Status:</p> <ul style="list-style-type: none"> Application Refactoring Phase – Completed on time, July 30, 2010 Recovery Phase – Completed on time, November 30, 2010 	

Sustainability

Weight	Performance Measure
35%	<p>By June 30, 2011, achieve Enterprise Priority #2 “Sustainability,” as set forth in the 2010-11 Business Plan approved by the Board for the following objectives:</p> <ul style="list-style-type: none"> Protect stakeholder interests, assist policymakers in making decisions, and influence the state and federal pension reform debate Implement the 2010 Investment Roadmap strategies Implement federal health care reform legislation provisions Begin implementation of the CalPERS Health Benefit redesign and the restructure of the health rate strategy <p>(Specific tactics and milestones are set forth in the Business Plan)</p>
<p>1st and 2nd Quarter Status:</p> <ol style="list-style-type: none"> Completed policies and practices that provide enhanced actuarial information on time, November 2010 Continuing to assess the impact of the new federal laws and regulations and assisting in program changes Participating in Health Care Reform Initiative (HCRI) team meetings Aligned PEMHCA regulations with statutory changes as part of the health care reform effort to conform with new federal law that expands dependent coverage to those between the ages of 23 and 26. Final regulation submitted to Office of Administrative Law for approval 	

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Building Internal Strength

Weight	Performance Measure
30%	<p>By June 30, 2011, achieve Enterprise Priority #3 "Building Internal Strength," as set forth in the 2010-11 Business Plan approved by the Board for the following objectives:</p> <ul style="list-style-type: none"> • Complete the Special Review of placement agent issues and adopt appropriate recommendations to implement governance changes • Attract, develop, and retain a diverse workforce and build a work culture that reflects diversity and inclusion best practices • Institute an enterprise Risk Management function to effectively evaluate, monitor, and manage risk across the organization • Design and implement an enterprise Succession Plan framework to ensure leadership continuity, retention of institutional expertise, and development of staff <p>(Specific tactics and milestones are set forth in the Business Plan)</p>
1st and 2nd Quarter Status: <ol style="list-style-type: none"> 1. Special Review presented observations and recommendations, December 2010 2. Identified outside legal counsel pools 3. Released solicitations for new pools (Health Care Law, Labor/Employment, Business Litigation, Family Law/Community Property) 4. On-going collection of data from law firms on diversity statistics, programs, and initiatives 5. In process of reviewing firm proposals for advancement of diversity goals. 6. Created new division for Risk Management and instituted regular risk management reporting to the Board 	

Organizational Management Practices

Weight	Performance Measure
10%	<p>By June 30, 2011, achieve improvements in enterprise management by:</p> <ul style="list-style-type: none"> • Maintaining an average General Counsel Branch position vacancy rate of 5% or less through the Fiscal Year 2010-11 • Ensuring all Form 700 Statements of Economic Interest are filed by scheduled employees in the General Counsel Branch by the mandated due date of April 1, 2011 • Ensuring all scheduled employees in the General Counsel Branch complete the legally mandated AB 1234 ethics training by June 30, 2011 • Maintaining a 90 percent EPAD completion rate for employees in the General Counsel Branch • Resolving all outstanding audit findings pertaining to the General Counsel Branch within 12 months of audit report.
1st and 2nd Quarter Status: <p>General Counsel branch vacancy rate as of September 30, 2010 is 8%. All open positions are in process of examinations/recruitment.</p>	